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Why Save Social Security?

by Jacob G. Hornberger

In their desire to reform or save Social Security, some advocates of free enterprise display a reluctance to openly call for the repeal or dismantling of Social Security or even to suggest that their Social Security reform plan would gradually tend in that direction. For example, the conservative Heritage Foundation, [whose mission](#) is “to formulate and promote conservative public policies based on the principles of free enterprise, limited government, individual freedom, traditional American values,” openly declares that “the President has put forward a bold and responsible proposal that would permanently save Social Security and make the program a better deal for all Americans.”

This reluctance to call for an end to Social Security seems odd, especially given that Social Security is arguably the crown jewel of socialism, an economic philosophy that is directly contrary to the principles of free enterprise, an economic philosophy to which advocates of freedom are committed. Socialism leads to poverty and to what Ludwig von Mises termed “planned chaos,” as the people in the former Soviet Union discovered, while free enterprise is the key to economic prosperity and harmony.

What better example of socialism is there than Social Security, especially given its core feature — the coercive redistribution of wealth from young to old, from poor to rich, and from blacks to whites? How much more socialistic can you get than that?

Moreover, doesn't the government's administration of Social Security, even within some of the Social Security reform plans, constitute a perfect example of central planning, a core feature of socialism — in this case, over people's retirement?

How is Social Security consistent with the trusted traditional American values? Don't forget that early Americans, owing to their devotion to free enterprise, lived without this socialist program for some 150 years after our nation's founding. Just a bit of Googling reveals that Social Security, enacted in 1935 as part of President Franklin Roosevelt's New Deal, originated with the “Iron Chancellor” of Germany, Otto von Bismarck, who himself got the idea from 19th-century

German socialists. That's undoubtedly why the Social Security Administration's website extols Bismarck, not America's Founding Fathers, and even has a picture of him [posted there](#).

So, why not repeal Social Security — or even gradually demolish it — rather than simply reform it or, even worse, save it?

One answer might be that because people have “paid into the system,” they're entitled to “get it back.” But by now, everyone knows — or should know — that Social Security is actually nothing more than a tax-and-spend welfare scheme, not an investment-and-retirement fund, and therefore that the scheme does not legally give rise to any contractual obligation, as the U.S. Supreme Court held long ago. Moreover, as everyone knows — or should know — Social Security is a law that legally can be repealed as easily as it was enacted.

Moreover, doesn't a commitment to reform or save Social Security, rather than dismantle it, reflect doubts about whether a free people can actually [be trusted](#) to do the right or responsible thing in the absence of government coercion? Indeed, doesn't it reflect reservations about the efficacy of freedom and free markets?

Why not end Social Security rather than simply reform or save it? That's a good question, one that the reformers should answer. Because to ultimately restore freedom and free markets, isn't it necessary to dismantle socialism?

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